

A person wearing a blue button-down shirt and olive green trousers is shown from the waist up. They are pulling a piece of light-colored fabric out of their front pocket. The background is black.

HOT TOPICS

CURRENT ISSUES FOR ARMY LEADERS

2003

Volume 5, No. 4

Consumer Scams

Are You Getting
Ripped Off?

Beware of
These Scams

*Why Scams
Work*

Consumer
Protection

OUR soldiers are getting ripped off. Skilled scam artists lurk outside our installations with promises of quick cash and easy credit. They charge exorbitant interest fees and sometimes fail to deliver the promised goods or services. Many of these scams are against federal and state laws.

Dependable paychecks and low incomes make soldiers attractive targets for businesses that prey on consumers. Scam artists spend much time and energy perfecting their pitches for anything from used cars to work-at-home schemes.

Just as the desire for financial security motivates individuals in the private sector to respond to these scam artists, so too can it motivate soldiers and increase their chances of entering into shady business propositions. Scam artists often tell soldiers that financial trouble can be career damaging. Then they claim to have quick remedies. Leaders can counter this by supporting soldiers who have financial difficulties, and by referring them to Army Community Services' Financial Readiness Program for assistance.

Leaders can help protect soldiers from scam artists. We must encourage soldiers to compare goods and services, warranties and guarantees, prices and interest rates. We should also advise them to seek the help of Army Community Services and Army legal assistance specialists before they sign contracts. This can save time and money, and prevent undue stress.

I recently signed a memorandum of understanding with the Council of Better Business Bureaus, which is the umbrella organization for the Better Business Bureau system. The MOU will promote local partnerships between BBBs and Army installations that help mitigate circumstances in which service members and their families fall prey to unethical business practices.

Commanders can also designate certain businesses off-limits to soldiers. Any questionable business should be avoided. Report these businesses to the Federal Trade Commission and state enforcement agencies.

COL CHARLES T. SNIFFIN
Deputy Commander
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and Family Support Center



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Credits

Scam Artists Are After You



CONSUMERS lose millions of dollars each year to scams and frauds. Some victims simply don't take the time to educate themselves and make smart choices. Others know or suspect a deal is shady, but let themselves be persuaded by the pressure tactics of skilled con artists.

A scam is a fraudulent business scheme that robs consumers of their money. Scam artists appeal to consumers' emotions and desires for financial security, luring them into attractive deals then disappearing when the consumer has forked over money.

Don't be a sucker.

Scams: More Common Than You Think



IN May 2003 the National Consumer Law Center published “In Harm’s Way — At Home: Consumer Scams and the Direct Targeting of America’s Military Veterans.” The report states that service members are frequently faced with unfair or deceptive business practices that swindle them out of hard-earned dollars.

Drive along routes leading to military installations and you’ll see numerous signs advertising quick cash, payday loans and more. These ads also appear in official and unofficial military publications. Readers often assume military officials have approved of the businesses and their claims, although official publications are required to run a statement warning readers that advertisements don’t constitute endorsement of products or services by the U.S. government.

The following ad recently appeared in the Fort Belvoir, Va., “Belvoir Eagle:”

“Running short until payday? Need cash in a flash? We will hold your personal check up to 14 days for up to \$550. Bad credit, no credit, no problem.”

The ad neglects to state that payday loans are one of the most expensive ways of borrowing money, or that such loans are actually illegal in some states.

While Army Times is not an official publication, it does run a note encouraging readers to consider all

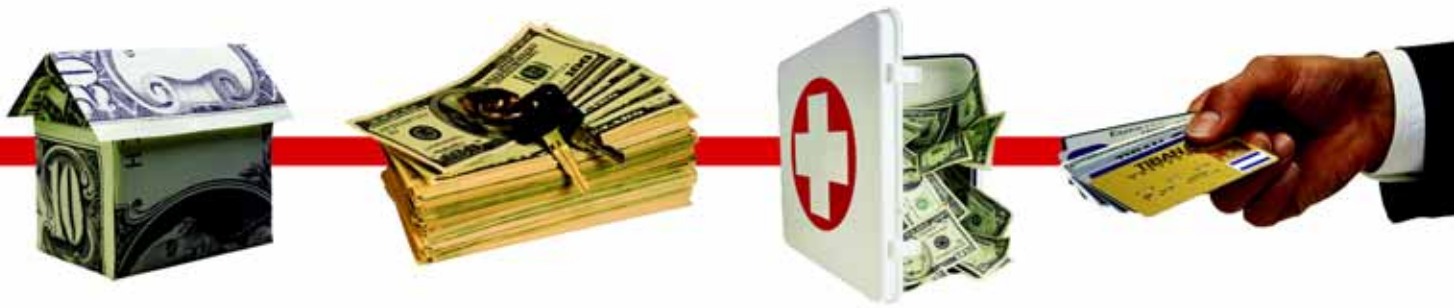
sources, interest rates and fees for financial services advertised in its publication. The fact that many businesses use military jargon and employ ex-military members to sell their products makes it more difficult to determine whether a business is legitimate.

Low incomes and frequent deployments make soldiers attractive targets for scam artists, who know soldiers receive regular paychecks. The standard expectation for soldiers to maintain orderly lives puts them at risk because they may seek advance-fee loans or so-called “credit repair” when they’re in financial straits.

What many soldiers don’t realize — and what scam artists never admit — is that they can get credit at a much lower interest rate through credit unions and banks. But some soldiers fall prey to scams simply because they lack experience dealing with money.

Leaders can help protect soldiers from scam artists by identifying local businesses that have histories of crooked practices. Report such businesses to the Federal Trade Commission and make them off-limits to soldiers even if the business’s practices are legal under state law.

A copy of the NCLC’s “In Harm’s Way — At Home: Consumer Scams and the Direct Targeting of America’s Military and Veterans” is available at www.nclc.org.

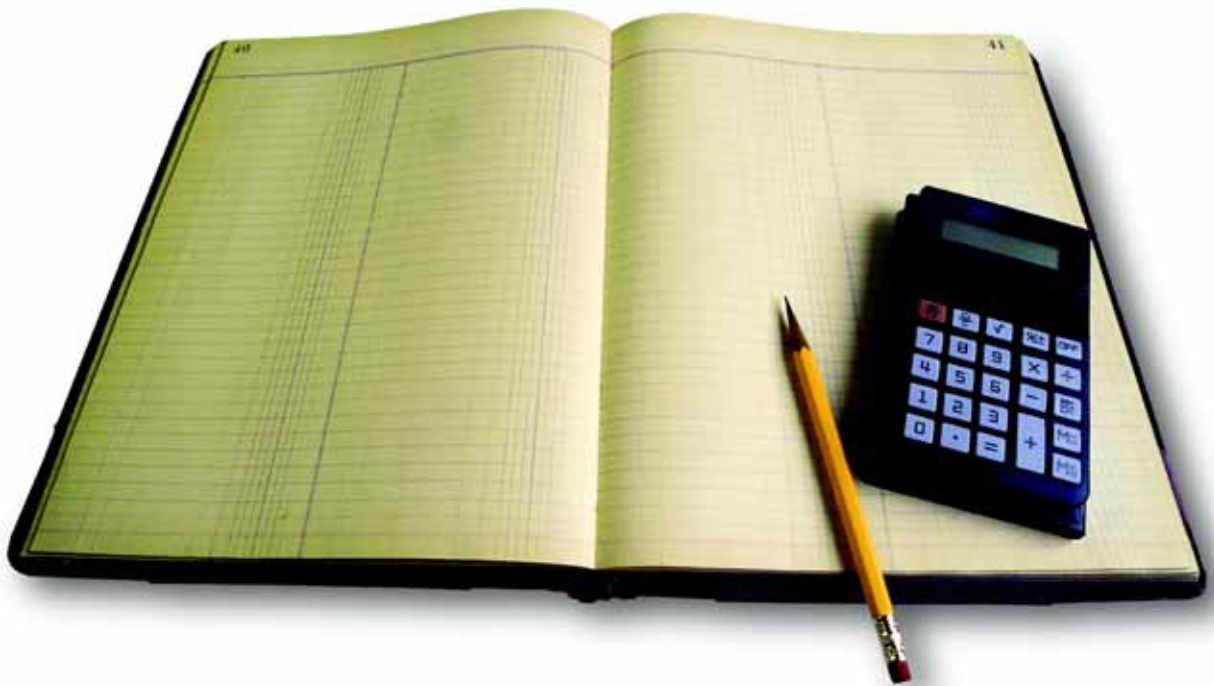


Beware

Scams commonly aimed at the military include:

- Charity fraud
- Credit-repair scams
- Debt negotiations
- Employment and work-at-home schemes
- Identity theft
- Internet auctions
- Investment and financial scams
- Life-insurance fraud
- Loan scams
- Military-pension scams
- “Nigerian Letter” scams
- Pyramid schemes
- Tax scams
- Telemarketing recovery scams
- Telephone scams
- Travel scams
- Weight-loss scams
- Used-car fraud

Financial Readiness Program



ARMY Community Services' Financial Readiness Program helps soldiers and their families achieve successful economic lifestyles by teaching them to smartly manage their financial resources. With offices located on Army installations throughout the world, FRP provides advice and information about budget planning, banking, credit, debt management, consumer laws and rights, business scams and preparing for deployments or permanent moves. FRP counselors also provide debt-liquidation services and

encourage soldiers to shop around for credit and services that most affordably suit their needs.

Created in response to leaders' responsibility to guide soldiers through financial difficulty, FRP has evolved into a program that cultivates soldiers' economic stability and growth. Among FRP's more in-depth services is Personal Financial Readiness Training. This eight-lesson program spans from setting a budget to investing and making large purchases. It is mandatory for first-term soldiers but helpful to anyone reassessing his or her financial status.



Why Scams Work

SCAMS work because they appeal to people's emotions, needs and desires. Scam artists will use extremes to lure consumers into a sell — even if it means playing on consumers' greed, fear and insecurities.

Consumers typically don't become aware that they're being manipulated or dealing with a scam unless they take the time to research and ask questions before making a commitment. By the time a consumer realizes he or she is a victim it's often too late to back out. Both the consumer's money and the scam artist are gone. Scam artists spend a lot of time polishing their pressure tactics. They include:

- ❶ Guaranteeing a once-in-a-lifetime opportunity;
- ❶ Promising winnings or earnings;
- ❶ Playing on a person's desire for wealth, or need for health and safety;
- ❶ Making the consumer feel stupid for not going along with them;
- ❶ Providing nothing unless the consumer makes an appointment;
- ❶ Providing only partial disclosure and obscuring facts or sources;
- ❶ Telling victims they must make an on-the-spot decision to avoid missing an opportunity;
- ❶ Pressuring the victim until he or she gives in and commits;
- ❶ Offering to share "inside information;"
- ❶ Telling consumers that the product or service is legal;
- ❶ Advising consumers to borrow money or cash in retirement funds to invest in the products;
- ❶ Using a name that sounds like a legitimate or respected brand or business;
- ❶ Using military-sounding names;
- ❶ Pretending to be the consumer's friend and taking a personal interest in his or her life;
- ❶ Claiming to be a charitable organization and playing on consumers' guilt;
- ❶ Giving false credentials so consumers feel no need to check out the business with the Better Business Bureau; and
- ❶ Selling poorly understood products, especially financial products.



Top Consumer Scams

Charity Fraud

FRAUDULENT fundraisers take advantage of donors' goodwill by misrepresenting who they are and what they do with the money they raise. To collect money from sympathetic individuals, solicitors often pick such popular charitable causes as support for police or firefighters and their families, or for veterans or terminally ill children. They also take advantage of such current events as the war in Iraq or the terrorist attacks of Sept. 11, 2001.

Consumers can ensure their donations benefit the people and organizations they want to help by calling the charity to find out if it's authorized the use of its name and is aware of the solicitation. Also ask what percentage of the donation will be used to support the causes described and what percentage will be used for administrative costs. Contributors should get a receipt that shows the amount of the contribution and states it is tax deductible.

Credit-Repair Scams

ALLEGED credit-repair services claim the ability to erase bad marks from a consumer's credit history or to create a new credit identity, which is illegal. Such companies cannot do anything for consumers that consumers cannot do themselves at little or no cost, and they often charge high rates before services have been delivered. Many such companies vanish with consumers' money without delivering service. The most reliable way to clean up a credit history is to work with counselors in arranging a realistic repayment plan.

Debt Negotiations

DEBT negotiators and debt-settlement companies offer to cut consumers' bills in half by negotiating lower payoff amounts with customers' creditors. Often they tell customers to stop paying creditors and to send the money to them instead. The money gets placed in an account until the negotiator decides to make an offer to the credit card company. Meanwhile, the customers' accounts go unpaid and their credit is trashed.

Creditors often write off debt if no payment has been made for 180 days or six months. A write-off remains on consumers' credit reports for seven years plus 180 days from the date of the first nonpayment. So even if the negotiator manages to reduce the credit card balance, the consumer is still stuck with bad credit. A write-off may also cause problems with the Internal Revenue Service, because the amount of forgiven debt is viewed as income to the borrower.

Debt negotiators are also known to charge high fees. On top of application fees, they charge processing fees and demand a percentage of the money customers supposedly save when negotiators lower credit-card balances.

Employment and Work-at-Home Schemes

EMPLOYMENT scams usually end up costing people money rather than making them money. Employment ads boast high pay in fast-growing industries for those who want to work at home. Classic employment schemes range from medical billing to envelope stuffing and assembly or craftwork.



These ads don't disclose that consumers are often required to pay for instruction, equipment and supplies, and work many hours with no pay. Also, "employees" are responsible for selling their products. Promoters of these scams target people searching for family-friendly employment or who have low incomes. Ask yourself: If working at home is so easy and profitable, why isn't everyone doing it?

Identity Theft

THE Federal Trade Commission has named identity theft the fastest-growing white-collar crime today. Also called identity fraud, the crime occurs when thieves steal personal information with the intent to assume — or sell—another person's identity.

Thieves are after names, addresses, financial account numbers, Social Security numbers, dates and places of birth, tax records, cancelled checks and credit-card statements. They use these stolen identities to obtain credit from banks and retailers, steal money from existing accounts, apply for loans, establish accounts with utility companies, rent apartments, file bankruptcy, obtain jobs or apply for Social Security benefits.

Most identity-theft victims don't know thieves have made a mess of their good names and credit histories until banks deny them home loans or auto financing. For more information on identity theft, go to www.soldiersmagazine.com for Volume 4, No.2, of *Hot Topics*.

Internet Auctions

SOME online marketplaces promise merchandise at cheap prices but fail to deliver the items or send low-quality goods. Consumers should check out retail prices to see if prices are too good to be true, and check out the seller's reputation. While credit-card purchases can be disputed, be sure purchases made online are done on secure sites.

Investment and Financial Scams

FRAUDULENT investment promoters claim they can offer high returns and no-risk deals. But no financial investment is risk-free, and a high rate of return usually means greater risk.

Investment promoters feign high-level financial connections and pose as stock brokers or portfolio managers. They may create false statistics and offer share, mortgage or real estate investments; high-return schemes; option trading and foreign currency trading.

The Better Business Bureau suggests consumers take the following precautions when approached by anyone selling an investment opportunity:

- ❶ Take your time before investing money. Don't be pressured into buying. Be wary if you are urged to "buy now or forever lose your opportunity to profit."
- ❷ Research the investment opportunity. It's unlikely you will make money in a business deal you can't understand or verify.
- ❸ Before investing in stocks, bonds or mutual funds, get written financial information such as a prospectus or annual report, and inquire about fees for services.
- ❹ Learn about the company's reputation. Verify the data with impartial, outside sources. Is the company licensed in your state? Has it had run-ins with regulators or received serious complaints from investors? Contact the Better Business Bureau for a reliability report on the company.
- ❺ Invest only in offers you know something about.
- ❻ Ask about fees for establishing, changing and servicing your account. Also ask how the investment adviser is being paid — at an hourly rate, flat fee or commission that depends on your investments.
- ❼ Be skeptical and cautious about unsolicited phone

calls concerning investments.

- ❖ Don't believe everything you read or assume it is legitimate.
- ❖ Don't send money by overnight delivery or wire transfer, or authorize a credit-card payment or automatic debit from your bank account by anyone you don't know.
- ❖ Talk to the previous owners of an asset or business you're acquiring to determine its value history.
- ❖ Discuss all investment ideas and plans with an accountant or an adviser you know and trust.

Life-Insurance Fraud

LIFE-insurance fraud ranges from the sale of nonexistent or overpriced insurance to the sale of policies incorporating restrictive clauses that limit payment.

Individuals selling life insurance to soldiers must follow Department of Defense Directive 1344.7, "Personal Commercial Solicitation on DOD Installations," and Army Regulation 210-7, "Commercial Solicitation on Army Installations." Prohibited practices include attempting to sell insurance to soldiers without appointments or during duty, and claiming DOD sponsorship or endorsement.

Soldiers should seek third-party review for life-insurance policies through local legal-assistance offices or other qualified individuals. They should also compare policies from various companies.

Many financial planners do not recommend soldiers invest in nonmilitary insurance since service members have access to government-sponsored Service Members' Group Life Insurance for about \$12 a month.

Loan Scams

THE variety of consumer loans makes it important for consumers to understand the terms and conditions before applying for loans.

Consumers who have trouble getting credit may be lured by advertisements for advance-fee loans. Companies advertising these services pretend to offer loans without considering the consumer's credit history, then ask for an up-front fee and never deliver the loan. Legitimate lenders usually do not require processing fees, although they may require appraisal

and credit-report fees after applications are completed or approved.

According to the Federal Trade Commission's Telemarketing Sales Rule, it's against the law for any person or company to ask for or accept payment for arranging a loan or other form of credit before the consumer receives the loan or credit.

Payday loans are somewhat similar to advance-fee loans, and are among the most expensive ways of borrowing money. Also known as cash-advance loans, check-advance loans, post-dated check loans or deferred-deposit check loans, such loans offer borrowers a certain amount of money in exchange for personal checks written for the borrowed amount in addition to high borrowing fees. The lenders agree to not cash the checks until the borrower's next payday.

On a typical payday loan, a person might write a personal check for \$115 to borrow \$100 until payday. The annual percentage rate in this case is 390 percent. These loans are illegal in some states.

Rather than using advance-fee or payday loans, soldiers should consider applying for a small loan at the local credit union or a small-loan company. The important thing is to find a loan with the lowest cost of borrowing.

Military-Pension Scams

ONE of the most expensive scams aimed at service members is the military-pension scam, through which veterans are offered lump-sum cash payments in return for several years' worth of veterans' pension or disability payments. These deals cost veterans tens of thousands of dollars. They work like high-interest loans and are usually worth only 30 or 40 percent of veterans' actual benefits.

Federal law makes it illegal for veterans' benefits to be transferred from the beneficiary to another person. But companies circumvent the law by setting up a joint account in which the veteran receives benefit payments and the company can make monthly withdrawals. They also circumvent the Federal Truth in Lending Act by referring to them as something other than "loans."

"Nigerian Letter" Scams

THESE letters are usually marked "urgent" or "confidential" and are sent by persons claiming to



be officials of a foreign company or government ministry. The senders request assistance transferring millions of dollars of excess money out of their native country. Con artists request the intended victim's bank account number and the name, address, phone and fax numbers of the bank, then inadvertently take money out of the person's account. Or they may charge transfer fees, taxes and travel expenses.

Recipients of these letters should label them "No financial loss for your database" and fax them to the U.S. Secret Service Task Force handling Nigerian scam cases at (202) 406-6930.

Pyramid Schemes

PYRAMID schemes are also called multilevel or network marketing plans. These schemes offer commissions to members who recruit new distributors to sell goods or services. Members typically spend money upfront on inventory and sales literature, then must recruit others to join in order to earn commissions.

Most product sales — if there are any — are made to other distributors, not outside consumers. The goods and services serve only to make the scheme appear legitimate, though some multilevel marketing plans may be legitimate. Local Better Business Bureaus can help consumers determine whether a specific plan is legal.

Tax Scams

THE Internal Revenue Service warns consumers that tax scams occur even outside of the federal tax-filing season. A recent tax scam targeted potential recipients of the Advance Child Tax Credit. Scam artists promised to speed up the payment if the taxpayer agreed to a \$39 credit-card charge. No organization or person can speed up the payment of tax benefits.

Scam artists also prey on black Americans by offering to file for tax credits or refunds related to reparations for slavery, then require clients to pay upfront fees for claim preparations. Tax laws do not allow for credits or refunds related to slavery reparations.

Some taxpayers have received e-mails from a non-IRS source indicating the taxpayer is under audit. The recipient is asked for such confidential information as Social Security and bank account numbers. IRS does not conduct audits through e-mail.

Telemarketing Recovery Scams

SOME scam artists buy and sell "sucker lists" with the names, addresses and phone numbers of people who have lost money in fraudulent promotions. Businesses that buy these lists contact the consumers and promise to recover the lost money — for a fee. Under the Telemarketing Sales Rule, it is illegal to request payment until seven business days after the recovered money is returned to the consumer.



Telephone Scams

PHONE companies may switch consumers' phone service by telling the local phone company that consumers have authorized a change in service providers. Phone companies may also charge consumers for miscellaneous services they never requested, such as voice mail, paging, Internet access or personal 800 numbers.

The providers of pay telephones in such public places as hotels, airports and stores can use any long-distance provider they choose. Even when using a prepaid calling card, you can still be charged rates as high as \$3 to \$5 a minute.

Calls to 1-900 and 1-999 numbers for "information" are very expensive. Calling these numbers "authorizes" the business to charge a large fee to your telephone bill. Charges can be \$3 per minute to \$25 per minute. Some scams have consumers call a toll-free number first, then transfer callers to the charge line after the first 10 to 15 seconds.

Travel Scams

TRAVEL and vacation scams are most common in spring and summer. Scam artists may tell consumers they've won a free vacation package or that they must "act now" before the offer expires. Consumers usually end up paying a high price for some part of the package, like hotel or airfare, or end up with accommodations and services of lower quality than advertised.

Weight-Loss Scams

WEIGHT-loss promotions may guarantee consumers will shed unwanted pounds in a week — or even overnight — without cutting back on calories or exercising. Medical science has not yet discovered a secret for easy weight loss. Consumers should check out products with the Food and Drug Administration and remember that testimonials do not serve as scientific proof of a product's effectiveness.

Used-Car Fraud

USED cars may seem like an attractive purchase to consumers who are low on cash, but purchasers must do some research to avoid fraud.

Consumers lose billions of dollars each year to odometer fraud, according to the National Highway Traffic Safety Administration. A seller may roll back the odometer reading to help increase the car's value (thus increasing the consumer's repair costs). Buyers can obtain a vehicle history report by getting the 17-digit vehicle identification number and searching the Web to find companies that offer vehicle-history reports.

Buyers should also watch out for state-issued salvage titles or rebuilt-car titles. Salvage titles are often issued when an insurance agency takes possession of a car due to a claim. Rebuilt titles are issued when a car has sustained major damage and then been reconstructed.

Defeating Scams:

How to Protect Yourself

THE best defense against scams is skepticism. Certain tactics usually give scam artists away, so consumers should be observant of behavior.

Walk away if you're pressured to act quickly; can't research the details or claims for yourself; haven't checked out the seller with the Better Business Bureau or if you feel uncomfortable with any part of the deal. Remember:

- ❶ If something sounds too good to be true, it probably is.
- ❷ Advertising can be misleading. Don't believe everything just because it's in writing.
- ❸ Take notes of important points for later reference.
- ❹ Reading contracts and fine print before the purchase can illuminate problems. Make sure you understand the contract and that it matches what the salesperson told you. Ask for an explanation of anything you don't understand.
- ❺ If any part of a deal isn't in writing, it probably isn't going to happen.
- ❻ Always get the company's physical address and phone number, and check out the company with the local Better Business Bureau.
- ❼ Beware of promoters who are not locally based, provide no telephone number and who use a post office box or mail drop rather than a full street address.
- ❽ If asked to purchase goods sight-unseen, compare the prices and warranties with those offered by local businesses. You risk getting inferior merchandise when ordering products from unfamiliar businesses without being able to first inspect them.
- ❾ To protect yourself from telemarketing and mail scams, request information in writing. Avoid giving out credit card and bank account numbers or Social Security numbers. Don't just assume the callers are who they say they are. Avoid sending cash, checks or money orders to strangers, P.O. boxes or couriers.
- ❿ Don't allow embarrassment or fear to keep you from reporting fraud to the appropriate authorities.

If "It's perfectly legal" is used in the advertisement, it probably isn't. The use of such a phrase may indicate that the deal is so close to being illegal that it's dangerous.



- ❶ For placement on the Federal Trade Commission's Do-Not-Call Registry, call (888) 382-1222 or visit www.donotcall.gov.
- ❷ The Mail Preference Service is a consumer service sponsored by the Direct Marketing Association to decrease the amount of national nonprofit and commercial mail consumers receive at home. Registering for MPS places consumers' names and addresses in a do-not-mail file, which is updated monthly and distributed to marketers four times a year. Register at www.dmaconsumers.org/offmailinglist.html.
- ❸ To reduce the amount of unsolicited e-mail you receive at home, go to www.dmaconsumers.org/optoutform_emps.shtml.
- ❹ To remove your name from mailing lists for preapproved credit lines, call (888) 567-8688.



Consumer Assistance

CONSUMERS have many legal rights backed by federal and state law. Knowing your rights will help you avoid being ripped off. Soldiers should seek free assistance from local legal-services offices or contact their state attorney general's office for help.

The Federal Deposit Insurance Corporation offers a list of federal and state laws at www.fdic.gov/consumers/consumer/rights. A list of helpful U.S. government and state agencies is available at www.consumerreports.org under "Consumer Advice." The list also includes consumer advocacy groups.

Cars

ALL 50 states have "lemon laws" that let consumers return new vehicles with major defects. Consumers should keep copies of all documentation regarding vehicles and their histories, including repair orders and warranty books. Only attorneys licensed in the state where a particular vehicle was bought can determine whether problems with the vehicle qualify for relief under the lemon law. For more information go to www.lemonlawamerica.com.

Most states have laws stating that if repairers find repairs that cost more than 10 percent above the original estimate, they must have the consumer's permission to do them. If they do the repairs without permission, the customer is not required to pay for them.

Consumer Bill of Rights

THE Consumer Bill of Rights guarantees:

- The right to be informed, to get accurate information on products;
- The right to choose, to shop and compare products;
- The right to products that are safe to use and safe for the environment; and
- The right to make complaints and have them heard.

Three-Day Cooling-Off Rule

THE Federal Trade Commission's Three-Day Cooling-Off Rule gives consumers three days to cancel purchases of \$25 or more for a full refund. The rule applies to sales at the buyer's home, workplace or facilities rented by the seller on a temporary or short-term basis, such as hotel rooms, convention centers, fairgrounds and restaurants. It also applies when a consumer invites the salesperson to his or her home to make a presentation. Consumers are not required to provide a reason for cancellation.

The rule does not apply to:

- Vehicle purchases and leases;
- Sales transactions via mail or telephone;
- Emergency home repairs;
- Repairs to consumers' property;
- Purchases of insurance or securities; and
- Purchase of real estate.

To cancel a sale, the consumer must sign and date the cancellation form, and have it post-marked before midnight of the third business day after the contract date. Salespersons are required to provide consumers two copies of the cancellation form at the time of purchase. Consumers who do not receive the form can write their own cancellation letters.

RESOURCES

Financial Readiness Program — Army Community Service is responsible for overall management of the FRP, located at installations throughout the world. Education services include budget planning; banking; credit; debt management; debt liquidation; consumer laws and rights; and preparing for deployments or permanent moves. Some installation home pages also provide links to helpful consumer Web sites.
www.goacs.org

Army Regulation 600-15, “Indebtedness of Military Personnel” — Outlines DA policy on indebtedness, soldiers’ responsibilities to sufficiently manage affairs and commanders’ procedures for debt processing. Also includes format letters to creditors and formats for full disclosure information.

Better Business Bureau — The Council of Better Business Bureaus posts warnings to notify consumers and businesses about business scams. The BBB can also help resolve complaints against businesses through mediation and arbitration services. www.bbb.org/alerts/index.asp#National

Coalition Against Insurance Fraud — Dedicated to fighting insurance fraud through public advocacy and education. www.insurancefraud.org

Internet Fraud Complaint Center — Provides victims of Internet fraud a reporting mechanism that alerts authorities of a suspected criminal or civil violation. The IFCC is a partnership between the FBI and the National White Collar Crime Center.
www.fccfbi.gov/index.asp

Federal Communications Commission — Confused over your telephone bill? You’re not alone. Consumer confusion has significantly contributed to the growth

of telecommunications fraud. Contact the FCC to learn how to avoid unwanted telephone solicitations or to report other abusive techniques. www.fcc.gov/cgb

Federal Trade Commission — The FTC works to protect consumers against unfair, deceptive or fraudulent business practices. It also enforces a variety of federal and consumer-protection laws.
www.ftc.gov/ftc/consumer.htm

Military Sentinel — A joint initiative of the Federal Trade Commission and Department of Defense to improve consumer protection for service members. The Military Sentinel Web site offers brochures, pamphlets and special alerts on lending, credit, used-car sales and telemarketing scams. The Web site also allows consumers to enter their consumer fraud and identity theft complaints into a DOD-wide consumer-protection database. www.consumer.gov/military

National Fraud Information Center — Helps fight telemarketing and Internet fraud by improving prevention and law enforcement. To get advice about telephone solicitations and report possible telemarketing fraud to law enforcement agencies, call (800) 876-7060. NFIC’s trained counselors can help consumers identify the danger signs of possible fraud and direct them to the right places for more information. www.fraud.org

Securities and Exchange Commission — The SEC provides information on how to invest wisely and detect investment scams. www.sec.gov/investor/alerts.shtml

U.S. Postal Inspection Service — Fights criminals who use the postal system to defraud consumers.





Getting Legal Help

LEGAL-assistance offices located on Army installations worldwide can advise soldiers on their legal rights as consumers. For specific legal advice soldiers should consult an attorney.

The Army's legal information portal, at www.jagcnet.army.mil/Legal, provides a broad list of resources to help soldiers protect themselves from becoming targets of consumer scams. Look under "Consumer and Contract Matters" for the following links:

- Consumer Matters Generally
- Automatic Debit Scams
- Avoiding Credit and Charge Card Fraud
- Building a Better Credit Record
- Cosigning a Loan
- Consumer Credit Guide
- Consumer Scam Resources
- Credit Card Protection
- Credit Repair — Self-Help
- Credit Reports — The Truth About Credit Reports and Credit Repair Companies
- Debts
- Fair Credit Billing
- Fair Credit Reporting
- Fair Debt Collection
- Funerals — A Consumer Guide
- Identity Theft
- Internet Fraud
- Payday Loans = Costly Cash
- Three-Day Cooling-Off Period
- Stopping Junk Mail, Telemarketing and E-mails
- Summary of Consumer's Fair Credit Reporting Act Right